



General Assembly

January Session, 2015

## ***Substitute Bill No. 1024***



### ***AN ACT CONCERNING THE SECURITY OF CONSUMER DATA.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective from passage*) (a) As used in this section,  
2       (1) "encrypt" means the transformation of electronic data into a form in  
3       which meaning cannot be assigned without the use of a confidential  
4       process or key, and (2) "personal information" means an individual's  
5       first name or first initial and last name in combination with any one or  
6       more of the following data: (A) A Social Security number; (B) a driver's  
7       license number or a state identification number; (C) an address; or (D)  
8       identifiable health information. "Personal information" does not  
9       include publicly available information that is lawfully made available  
10      to the general public from federal, state or local government records or  
11      widely distributed media.

12      (b) Not later than two years after the effective date of this section,  
13      each health insurer, health care center and other entity licensed to do  
14      health insurance business in this state, pharmacy benefits manager, as  
15      defined in section 38a-479aaa of the general statutes, third-party  
16      administrator, as defined in section 38a-720 of the general statutes, that  
17      administers health benefits, and utilization review company, as  
18      defined in section 38a-591a of the general statutes, shall implement  
19      security technology that encrypts the personal information of insureds  
20      and enrollees that is compiled or maintained by such insurer, health  
21      care center or other entity, pharmacy benefits manager, third-party

22 administrator or utilization review company.

23 (c) Any such security technology shall be updated as is necessary  
 24 and practicable. The Insurance Commissioner, in consultation with the  
 25 Commissioner of Consumer Protection, shall adopt regulations, in  
 26 accordance with the provisions of chapter 54 of the general statutes, to  
 27 establish minimum standards for such security technology and to  
 28 implement the provisions of this section.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
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**Statement of Legislative Commissioners:**

In Sec. 1(b), "health" was inserted before the first "insurer" for accuracy.

**INS**      *Joint Favorable Subst. -LCO*